Form 3160-3
(August 2007)

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
UTU010956

6. If Indian, Allottee or Tribe Name

1a. Type of Work: ☒ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.
CHAPITA WELLS UNIT

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

8. Lease Name and Well No.
CHAPITA WELLS UNIT 1081-25

2. Name of Operator
EOG RESOURCES, INC.
Contact: MARY A MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-39678

3a. Address
1060 EAST HIGHWAY 40
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 303-824-5526

10. Field and Pool, or Exploratory
NATURAL BUTTES/MESAVERDE

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface 636967Y 4428900Y 40.001083 -109.395469 SWSW 461FSL 445FWL 40.00105 N Lat, 109.39614 W Lon
At proposed prod. zone SWSW 461FSL 445FWL 40.00105 N Lat, 109.39614 W Lon

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 25 T9S R22E Mer SLB

14. Distance in miles and direction from nearest town or post office*
52.7 MILES SOUTH OF VERNAL, UTAH

12. County or Parish
UINTAH

13. State
UT

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
445' LEASE LINE

16. No. of Acres in Lease
320.00

17. Spacing Unit dedicated to this well

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
550'

19. Proposed Depth
9180 MD

20. BLM/BIA Bond No. on file
NM2308

21. Elevations (Show whether DF, KB, RT, GL, etc.
5073 GL

22. Approximate date work will start

23. Estimated duration
45 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature
(Electronic Submission)

Name (Printed/Typed)
MARY A MAESTAS Ph: 303-824-5526

Date
09/28/2007

Title
REGULATORY ASSISTANT

Approved by (Signature)

Name (Printed/Typed)

Date
10-04-07

Title

Office

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #56560 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

RECEIVED
OCT 01 2007
DIV. OF OIL, GAS & MINING

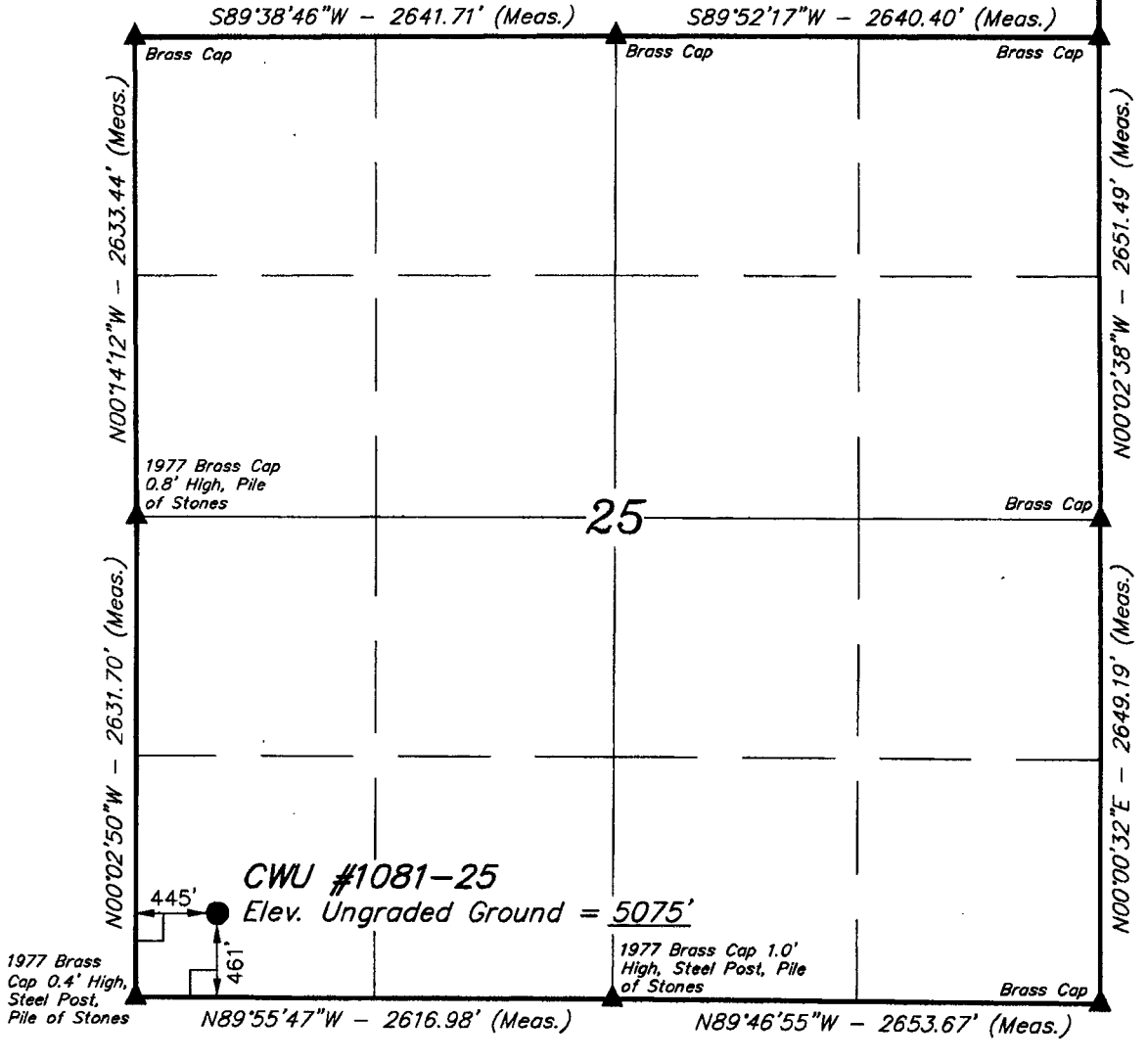
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

EOG RESOURCES, INC.

Well location, CWU #1081-25, located as shown in the SW 1/4 SW 1/4 of Section 25, T9S, R22E, S.L.B.&M. Uintah County, Utah.

T9S, R22E, S.L.B.&M.

R 22 E | R 23 E



LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

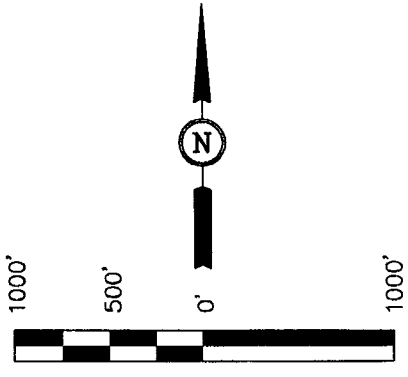
(NAD 83)
LATITUDE = 40°00'03.78" (40.001050)
LONGITUDE = 109°23'46.12" (109.396144)
(NAD 27)
LATITUDE = 40°00'03.90" (40.001083)
LONGITUDE = 109°23'43.67" (109.395464)

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE	DATE SURVEYED:	DATE DRAWN:
1" = 1000'	07-26-05	07-29-05
PARTY: T.B. B.C. P.M.	REFERENCES: G.L.O. PLAT	
WEATHER: HOT	FILE: EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1081-25
SW/SW, SEC. 25, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,517		Shale	
Wasatch	4,524		Sandstone	
Chapita Wells	5,085		Sandstone	
Buck Canyon	5,698		Sandstone	
North Horn	6,481		Sandstone	
KMV Price River	6,774	Primary	Sandstone	Gas
KMV Price River Middle	7,684	Primary	Sandstone	Gas
KMV Price River Lower	8,474	Primary	Sandstone	Gas
Sego	8,969		Sandstone	
TD	**9,170**			

Estimated TD: **9,180' or 200'± below Sego top** **Anticipated BHP: 5,012 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1081-25
SW/SW, SEC. 25, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1081-25
SW/SW, SEC. 25, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% $CaCl_2$, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft^3/sk. yield, 23 gps water.

Tail: **207 sks** Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: **127 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft^3/sk., 24.5 gps water.

Tail: **910 sks**: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft^3/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1081-25
SW/SW, SEC. 25, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):
Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

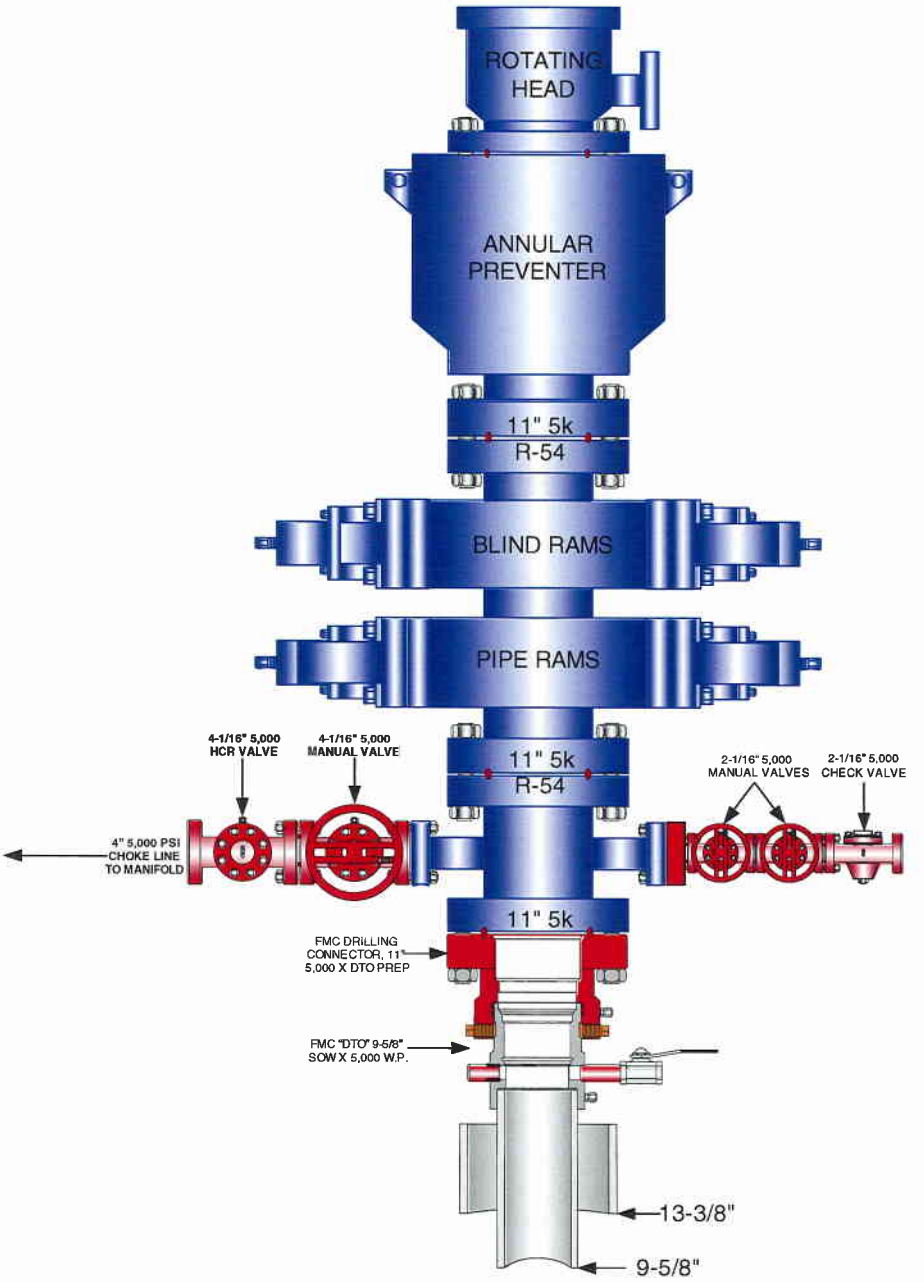
A. Choke Manifold
B. Upper and Lower Kelly Cock
C. Stabbing Valve
D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

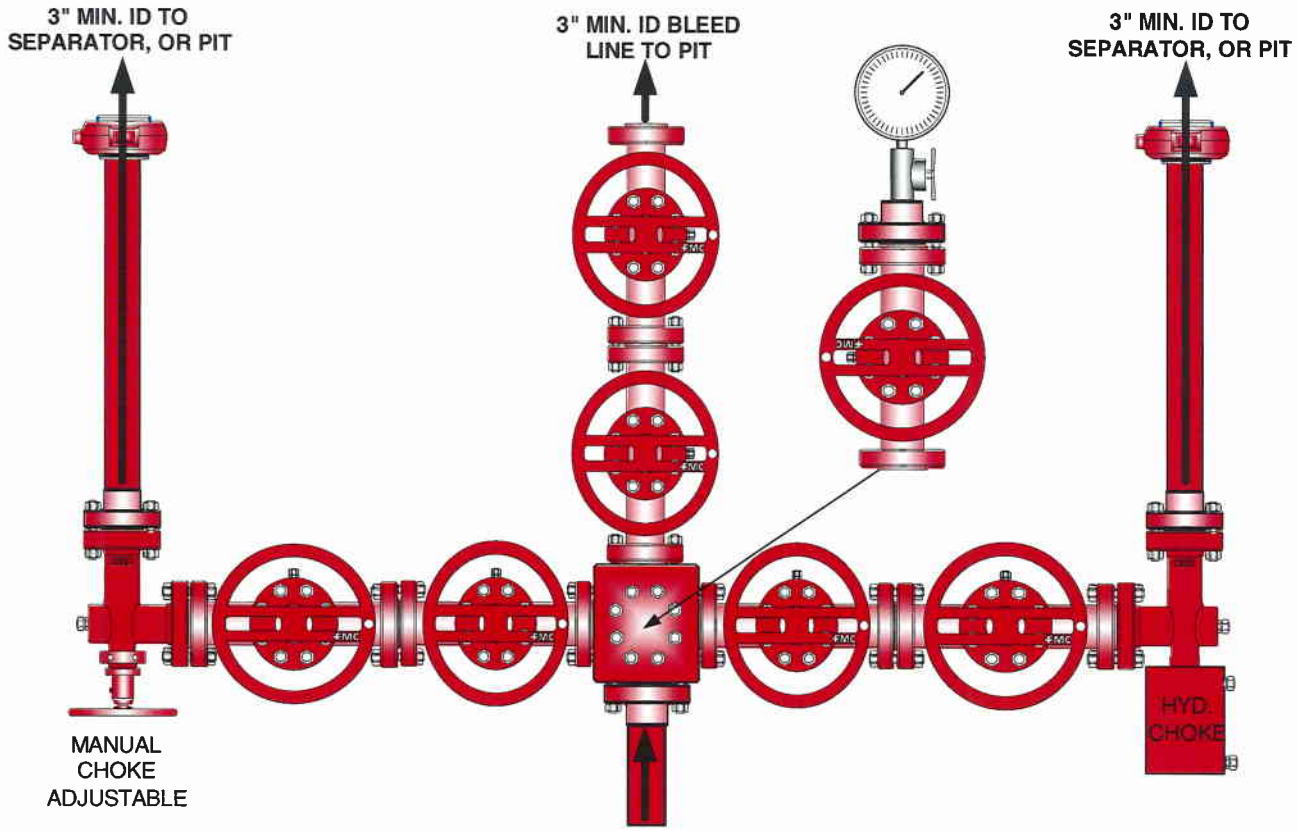
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
   Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

eog resources

Chapita Wells Unit 1081-25
SWSW, Section 25, T9S, R22E
Uintah County, Utah

SURFACE USE PLAN

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 250 feet long with a 40-foot right-of-way, disturbing approximately .23 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.07 acres. An existing road will need to be rerouted around the proposed location. The rerouted access road is approximately 1056 feet long disturbing an additional .97 acre. The pipeline is approximately 790 feet long with a 40-foot right-of-way disturbing approximately .73 acre.

1. EXISTING ROADS:

A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

B. The proposed well site is located approximately 52.7 miles south of Vernal, Utah – See attached TOPO Map "A".

C. Refer to attached Topographic Map "A" showing labeled access route to location.

D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

A. The access road will be approximately 250' in length, with culverts installed as construction dictates. See attached Topo B.

B. The access road has a 40-foot ROW w/18 foot running surface.

C. Maximum grade of the new access road will be 8 percent.

D. No turnouts will be required.

E. Road drainage crossings shall be of the typical dry creek drainage crossing type.

F. No bridges, or major cuts and fills will be required.

G. The access road will be dirt surface.

H. No gates, cattleguards, or fences will be required or encountered.

I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.

J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

An off-lease right-of-way is not required. The entire length of the proposed access road and road reroute is located within Federal Lease # U-010956.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.

2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. Proposed pipeline will transport natural gas.

2. The pipeline will be a permanent feeder line.

3. The length of the proposed pipeline is 790' x 40'. The proposed pipeline leaves the southern edge of the well pad (Lease U-010956) proceeding in a northerly direction for an approximate distance of 790' tieing into an existing pipeline in the SWSW of Section 25, T9S, R22E (Lease U-010956). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.

4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface

5. Proposed pipeline will be laid on surface.

6. An off-lease right-of-way is not required. The entire length of the proposed pipeline is located within Federal Lease # U-010956.

7. The proposed pipeline route begins in the SWSW of Section 25, T9S, R22E, proceeding northerly for an approximate distance of 790' to the SWSW of Section 25, T9S, R22E.

8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon or Covert Green.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT

(State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.

B. Water will be hauled by a licensed trucking company.

C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.

B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.

2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.

4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it

in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. *ANCILLARY FACILITIES:*

None anticipated.

9. *WELL SITE LAYOUT:*

A. Refer to attached well site plat for related topography cuts and fills and cross sections.

B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.

C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil north of pit corner B. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the north.

Diversion ditch(es) shall be constructed on the location as needed.

The corners of the well pad will be rounded off as needed to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)

B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.

D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. *Interim Reclamation (Producing Location)*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	9.0
Prostrate Kochia	3.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Wyoming Big Sage	3.0
Shadscale	3.0
Needle and Threadgrass	3.0
HyCrest Wheatgrass	1.0
Scarlet Globe Mallow	1.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.

C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on 9/15/2005. A paleontological survey was conducted and submitted by Intermountain Paleo on 9/23/2005.

Additional Surface Stipulations:

None.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT
Mary A. Maestas
EOG Resources, Inc.
P.O. Box 1815
Vernal, UT 84078
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1081-25 Well, located in the SWSW, of Section 25, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

September 28, 2007
Date

Mary A. Maestas, Regulatory Assistant

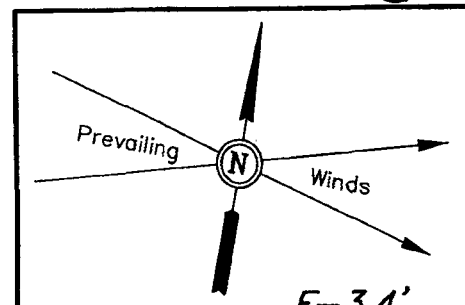
Date of onsite: September 5, 2007

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #1081-25
SECTION 25, T9S, R22E, S.L.B.&M.
461' FSL 445' FWL

FIGURE #1



SCALE: 1" = 50'
DATE: 07-29-05
Drawn By: P.M.

F-3.4'
El. 69.9'

Proposed Access Road

F-12.0'
El. 61.3'

Sta. 3+25

65'

Existing Drainage

DATA

Existing Road

175'

F-9.5'
El. 63.8'

Round Corners as needed

CATWALK

PIPE RACKS

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

Pit Topsoil

Approx. Toe of Fill Slope

FLARE PIT

C-6.2'
El. 79.5'

20' WIDE BENCH

C-2.0'
El. 75.3'

DOG HOUSE

Existing Road

Sta. 1+50

46'

29'

36'

135'

RIG

El. 82.2'
C-20.9'
(btm. pit)

75'

C-3.3'
El. 76.6'

WATER

F-7.0'
El. 66.3'

TRAILER

PUMP

MUD SHED

TOILET

MUD TANKS

HOPPER

POWER

TOOLS

FUEL

Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH

147'

Total Pit Capacity W/2' Of Freeboard = 12,250 Bbls. ±
Total Pit Volume = 3,320 Cu. Yds.

RESERVE PITS (12' Deep)

SLOPE = 1-1/2 : 1

Topsoil Stockpile

Proposed Road Re-Route

STORAGE TANK

Sta. 0+18

TRASH

150'

C-3.2'
El. 76.5'

Sta. 0+00

20' WIDE BENCH

El. 83.8'
C-22.5'
(btm. pit)

C-6.3'
El. 79.6'

Approx. Top of Cut Slope

F-3.8'
El. 69.5'

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5075.3'

FINISHED GRADE ELEV. AT LOC. STAKE = 5073.3'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

FIGURE #2

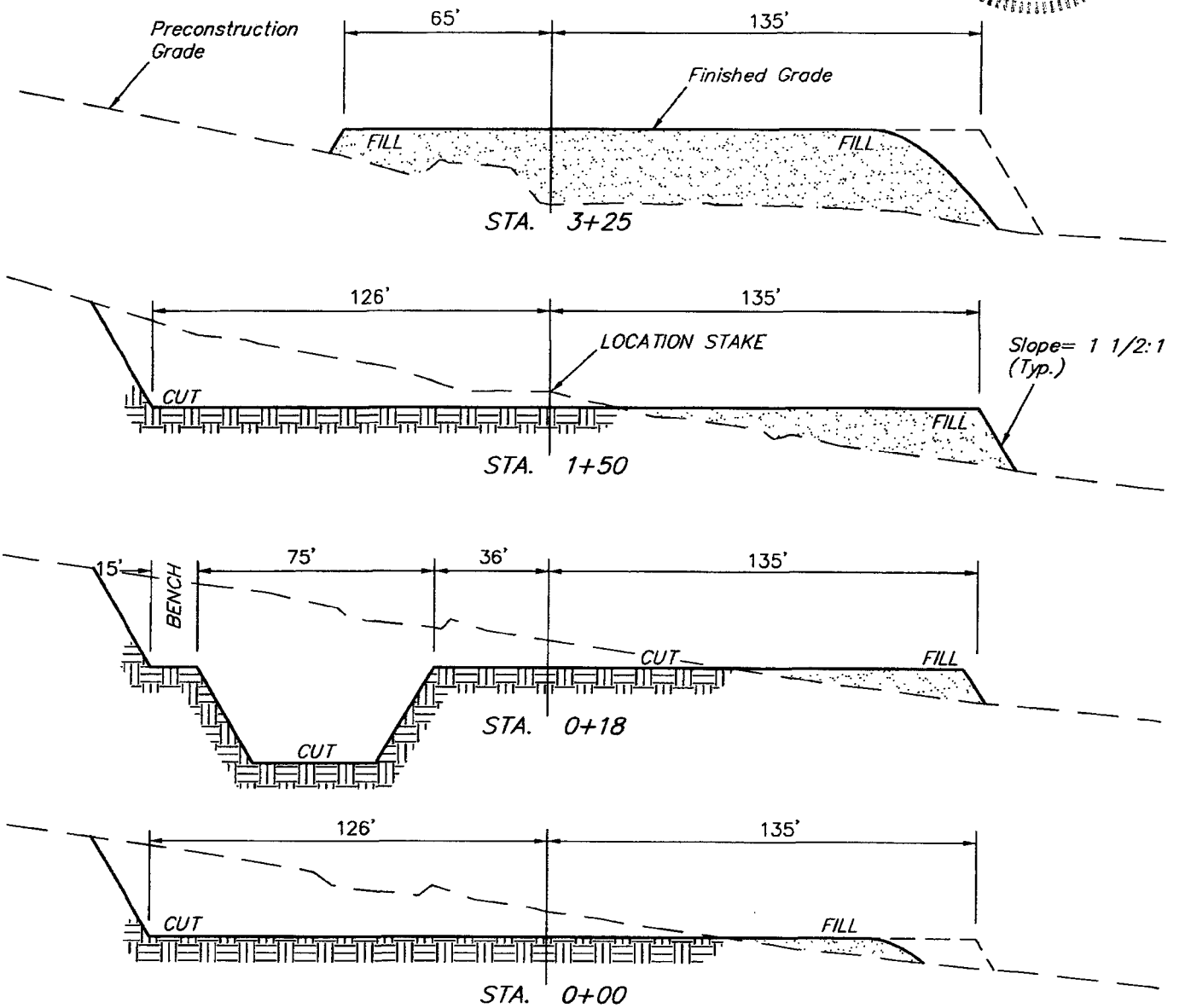
TYPICAL CROSS SECTIONS FOR

CWU #1081-25
SECTION 25, T9S, R22E, S.L.B.&M.
461' FSL 445' FWL

1" = 20' X-Section Scale
1" = 50'

DATE: 07-29-05
Drawn By: P.M.

REGISTERED LAND SURVEYOR No. 161319 ROBERT L. KAY STATE OF UTAH



* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,730 Cu. Yds.
Remaining Location = 10,130 Cu. Yds.

TOTAL CUT = 11,860 CU.YDS.
FILL = 8,470 CU.YDS.

EXCESS MATERIAL = 3,390 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,390 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation) = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

CWU #1081-25

LOCATED IN UINTAH COUNTY, UTAH
SECTION 25, T9S, R22E, S.L.B.&M.

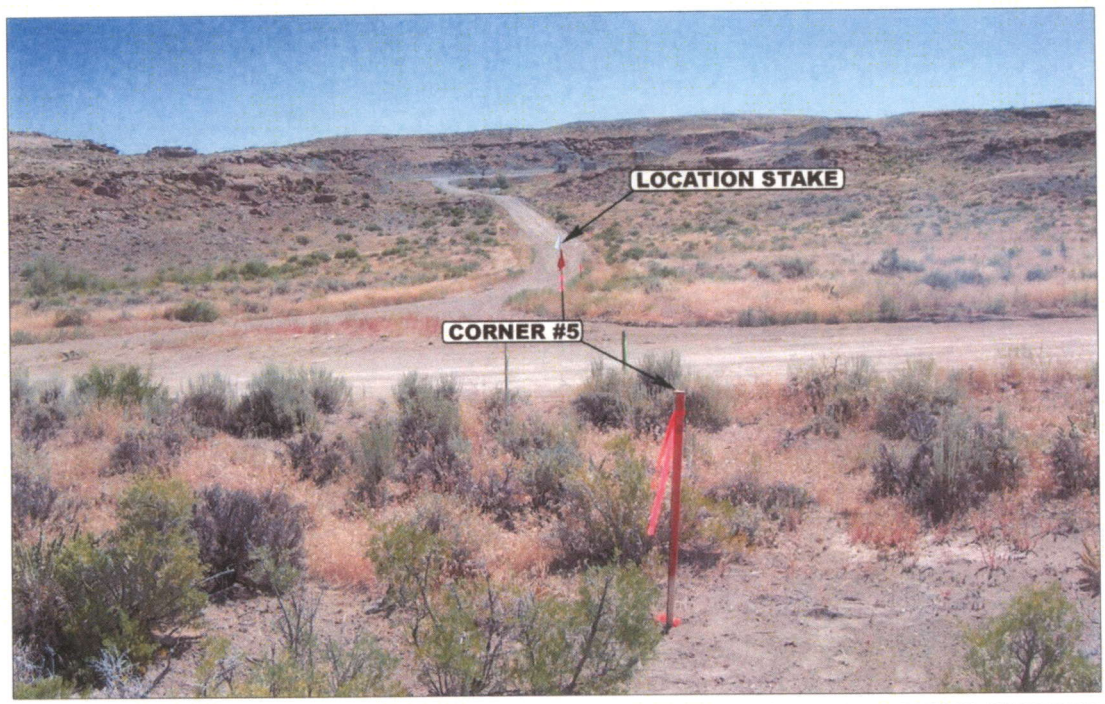
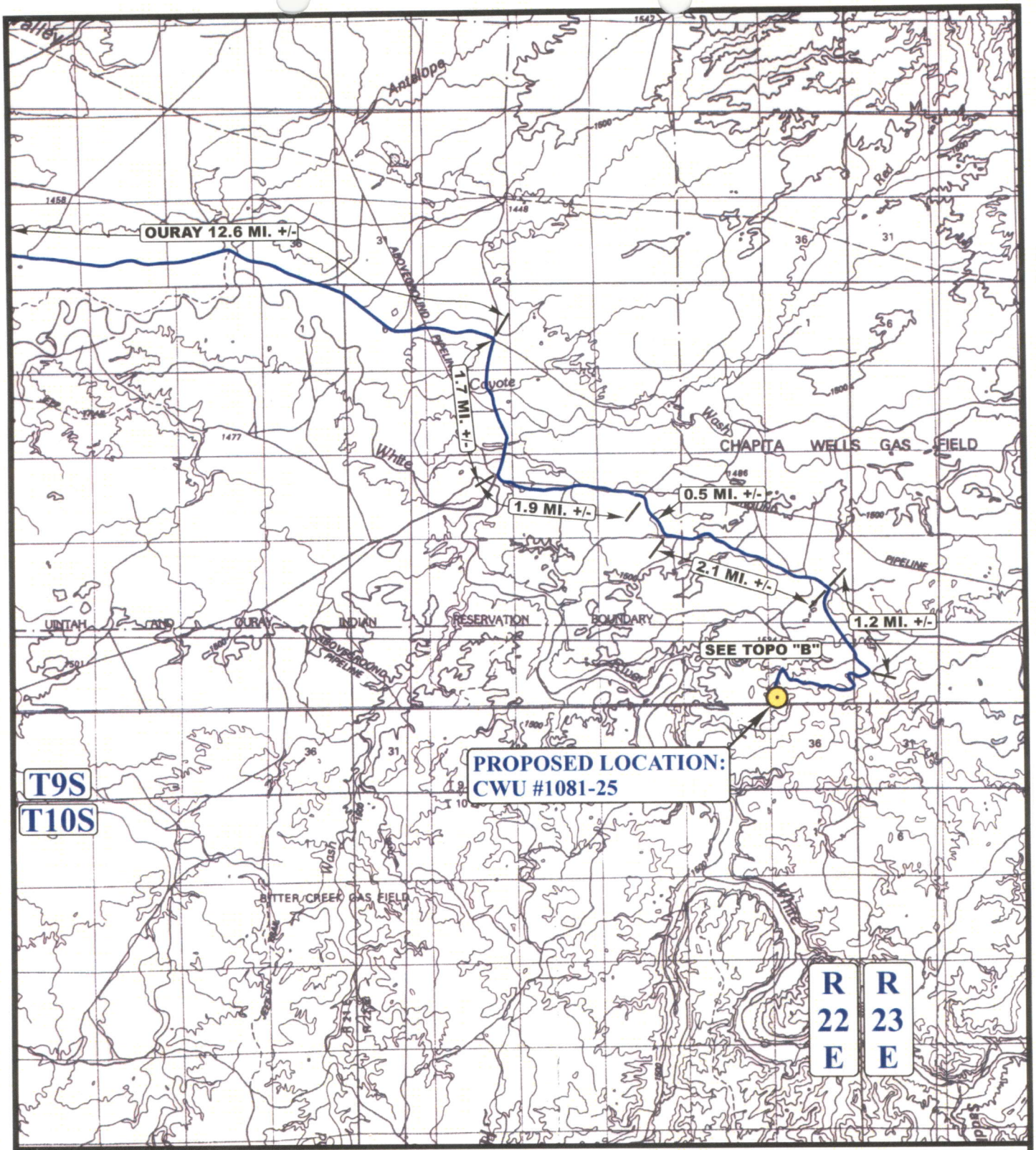


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHEASTERLY**

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: SOUTHERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	08 MONTH	03 DAY	05 YEAR	PHOTO
TAKEN BY: T.B.	DRAWN BY: S.L.	REVISED: 00-00-00		



LEGEND:

PROPOSED LOCATION

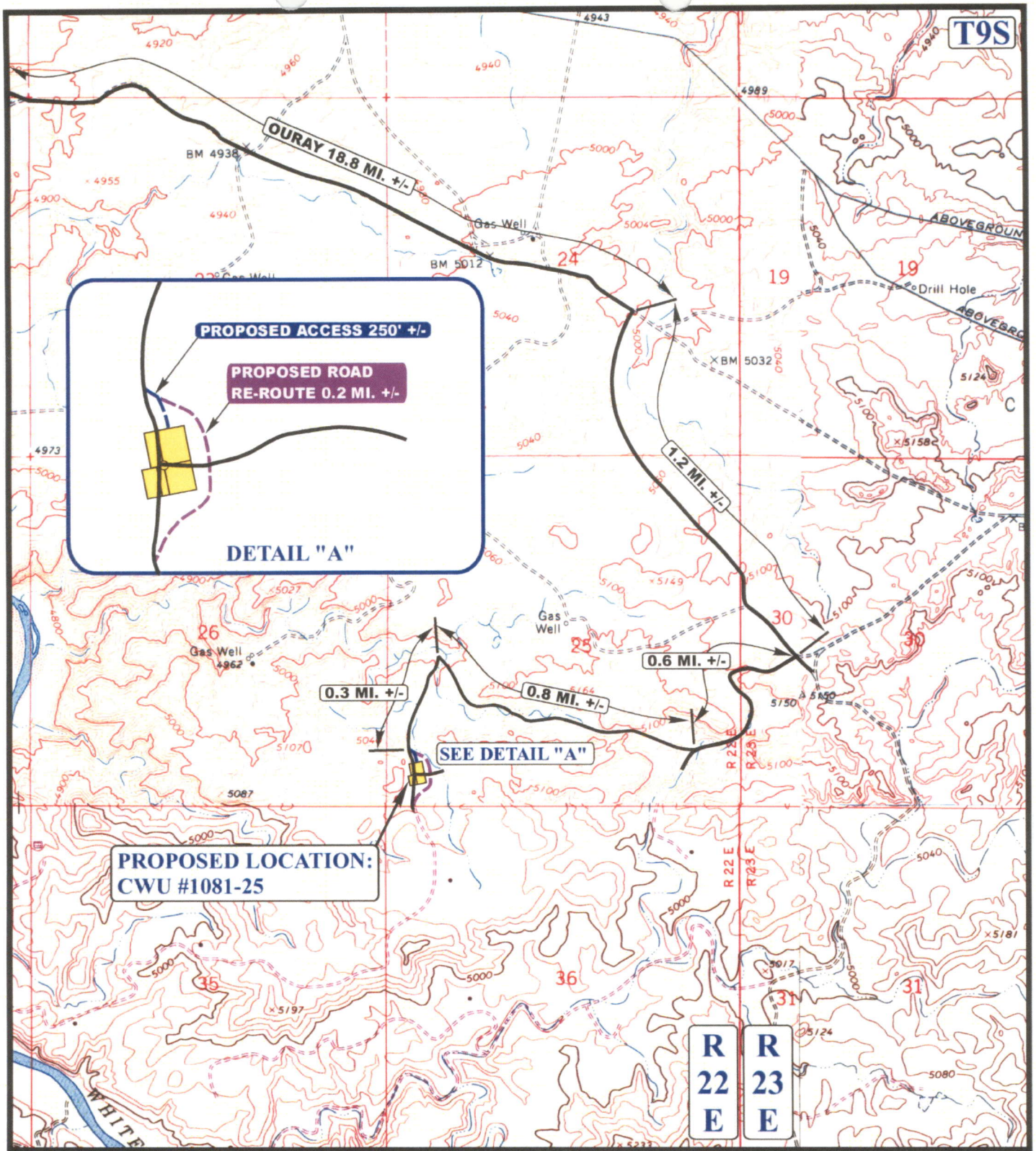
N

EOG RESOURCES, INC.

CWU #1081-25
SECTION 25, T9S, R22E, S.L.B.&M.
461' FSL 445' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	08 MONTH	03 DAY	05 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: S.L.	REVISED: 00-00-00		



LEGEND:

PROPOSED ACCESS ROAD

EXISTING ROAD

PROPOSED ROAD RE-ROUTE

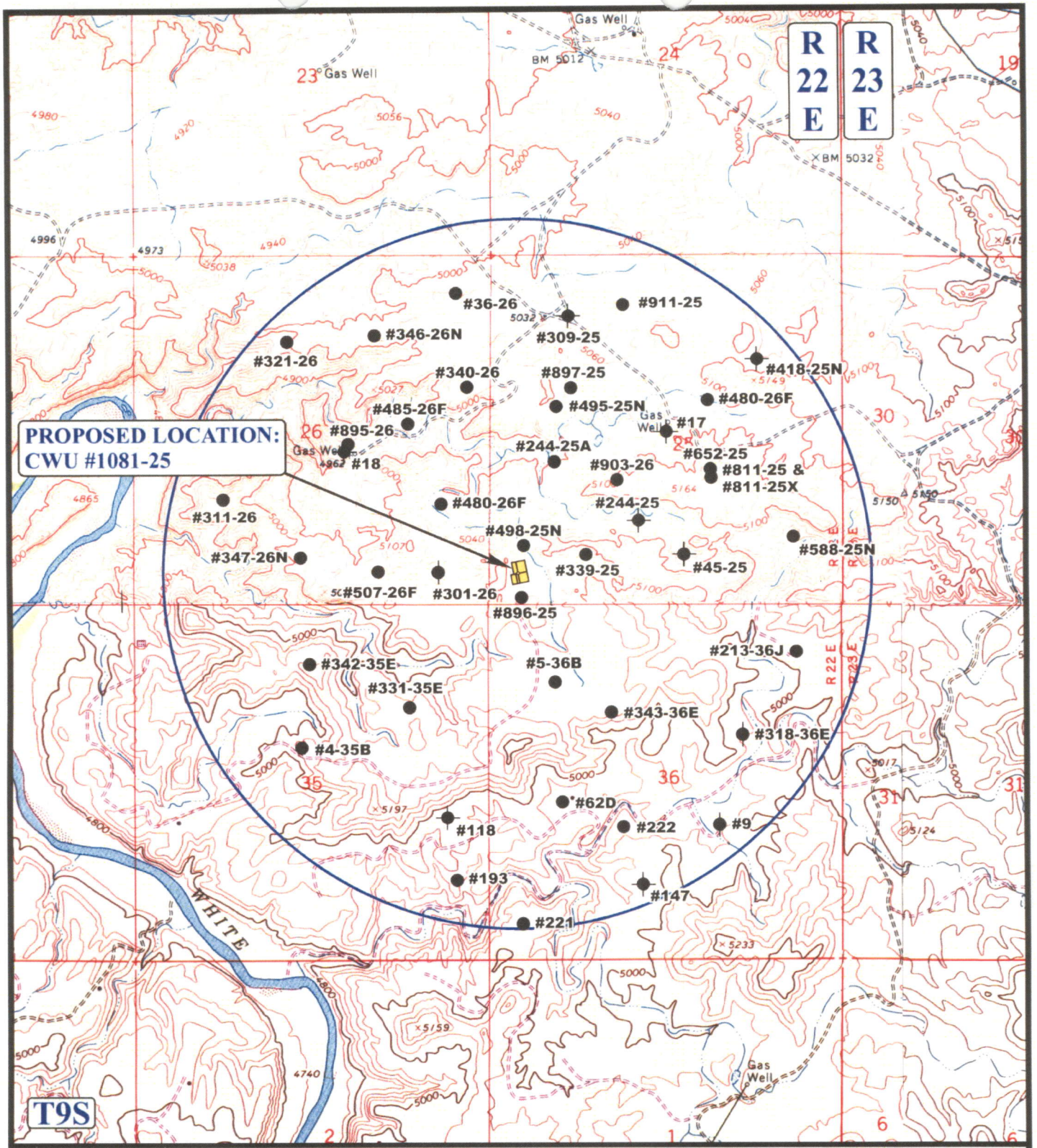
N

EOG RESOURCES, INC.

CWU #1081-25
SECTION 25, T9S, R22E, S.L.B.&M.
461' FSL 445' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	08 MONTH	03 DAY	05 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: S.L.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

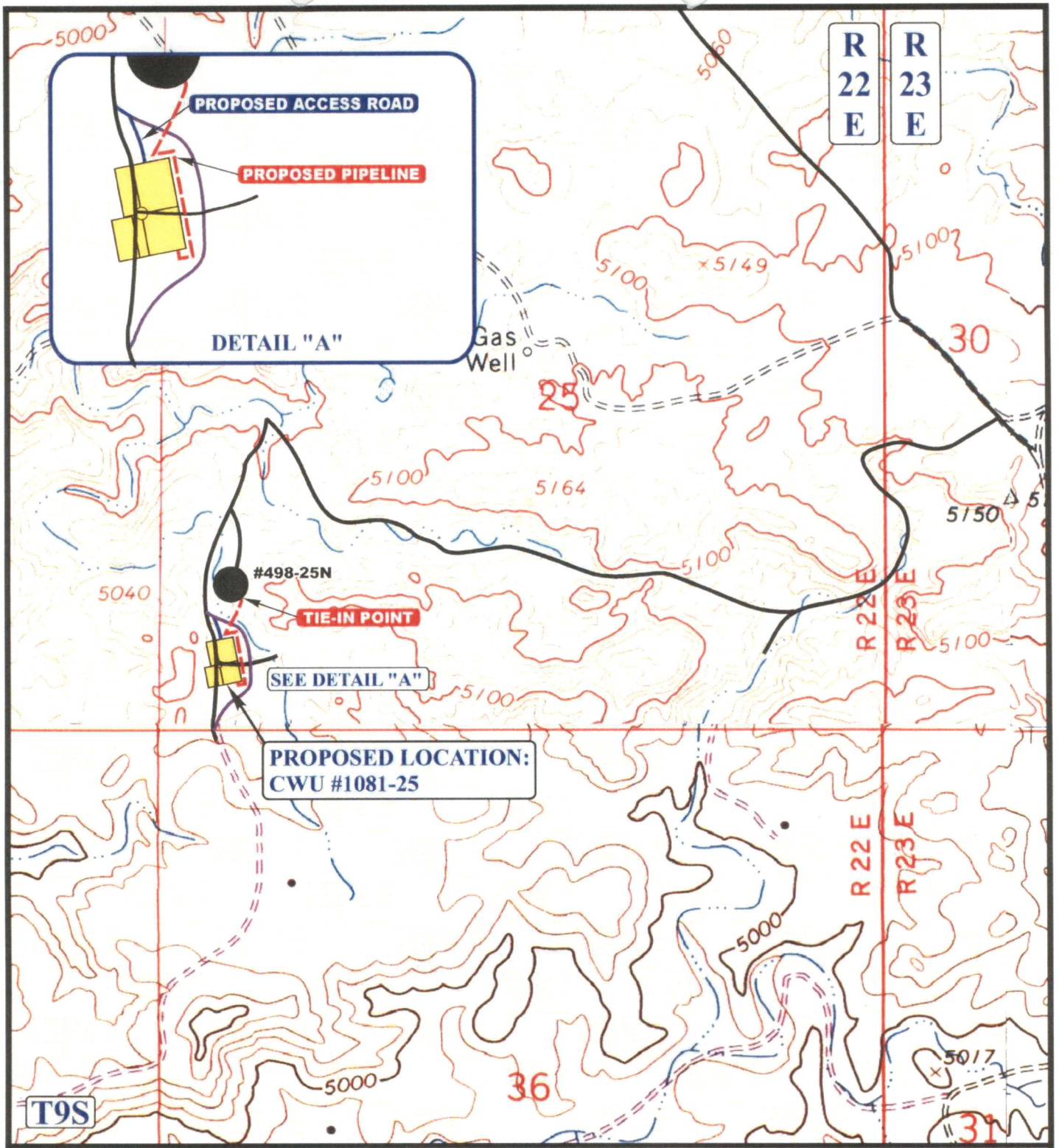
EOG RESOURCES, INC.

CWU #1081-25
SECTION 25, T9S, R22E, S.L.B.&M.
461' FSL 445' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 08 MONTH | 03 DAY | 05 YEAR | C TOPO

SCALE: 1" = 2000' | DRAWN BY: S.L. | REVISED: 00-00-00



APPROXIMATE TOTAL PIPELINE DISTANCE = 790' +/-

LEGEND:

PROPOSED ACCESS ROAD
EXISTING PIPELINE
PROPOSED PIPELINE

N

EOG RESOURCES, INC.

CWU #1081-25
SECTION 25, T9S, R22E, S.L.B.&M.
461' FSL 445' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	08 MONTH	03 DAY	05 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: S.L.	REVISED: 09-26-07		

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/01/2007

API NO. ASSIGNED: 43-047-39678

WELL NAME: CWU 1081-25

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 303-824-5526

CONTACT: MARY MAESTAS

PROPOSED LOCATION:

SWSW 25 090S 220E

SURFACE: 0461 FSL 0445 FWL

BOTTOM: 0461 FSL 0445 FWL

COUNTY: UINTAH

LATITUDE: 40.00108 LONGITUDE: -109.3955

UTM SURF EASTINGS: 636967 NORTHINGS: 4428900

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU010956

PROPOSED FORMATION: MVRD

SURFACE OWNER: 1 - Federal

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM2308)

N Potash (Y/N)

Y Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 49-225)

N RDCC Review (Y/N)
(Date:)

NA Fee Surf Agreement (Y/N)

NA Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: CHAPITA WELLS

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

✓ Drilling Unit

Board Cause No: 179-8

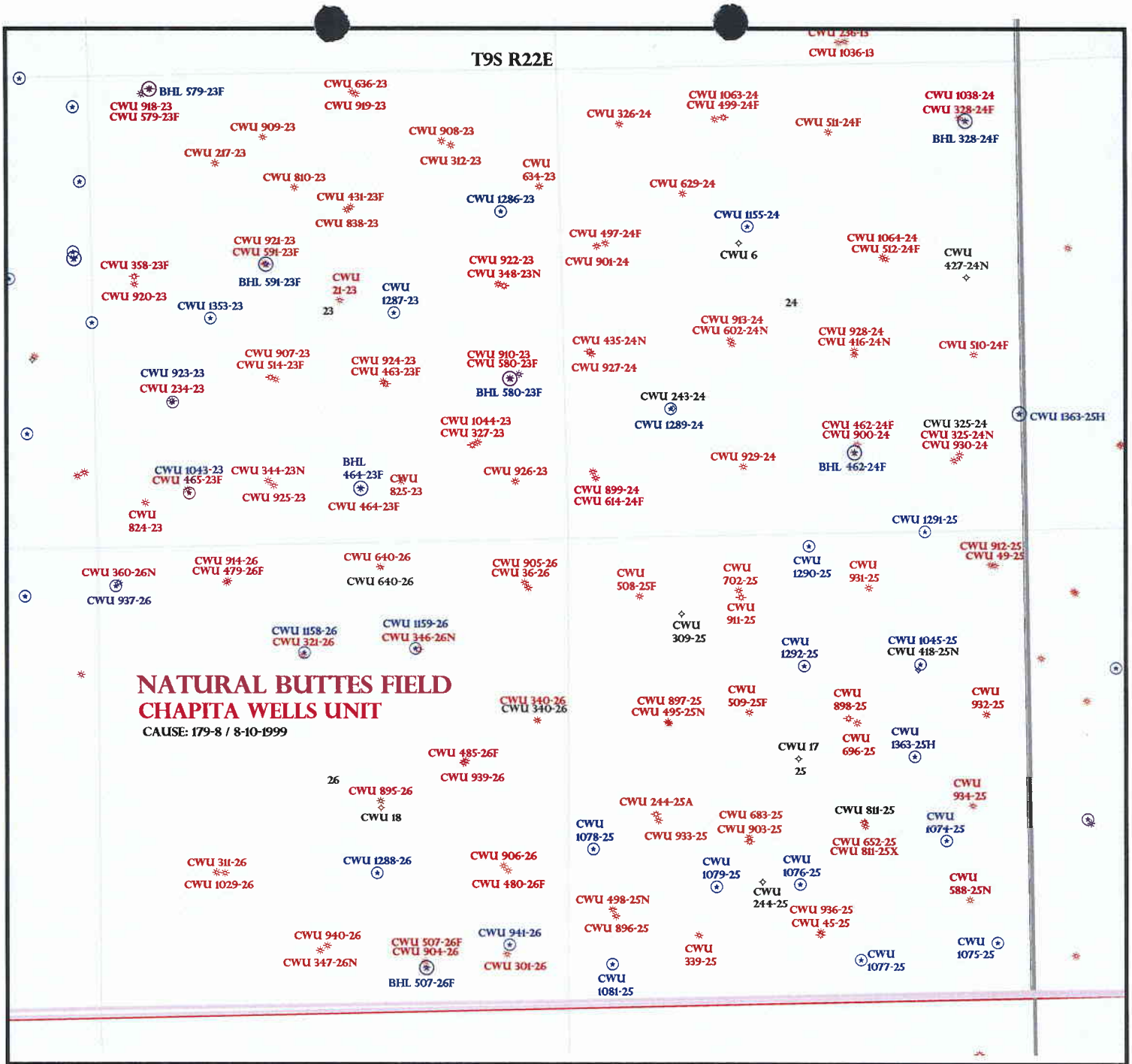
Eff Date: 8-10-1968

Siting: Suspends General Siting

___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: 1- Federal Approval
2- Oil Shale



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 23,25 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

UTAH DNR
OIL, GAS & MINING

N
W E
S

PREPARED BY: DIANA MASON
DATE: 03-OCTOBERR-2007

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

October 4, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2007 Plan of Development Chapita Wells Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION

(Proposed PZ MesaVerde)

43-047-39677 CWU 1353-23 Sec 23 T09S R22E 2570 FSL 1330 FWL
43-047-39678 CWU 1081-25 Sec 25 T09S R22E 0461 FSL 0445 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:10-4-07

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

October 4, 2007

EOG Resources, Inc.
1060 East Highway 40
Vernal, UT 84078

Re: Chapita Wells Unit 1081-25 Well, 461' FSL, 445' FWL, SW SW, Sec. 25, T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann§40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39678.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

Operator: EOG Resources, Inc.

Well Name & Number Chapita Wells Unit 1081-25

API Number: 43-047-39678

Lease: UTU010956

Location: SW SW **Sec.** 25 **T.** 9 South **R.** 22 East

Conditions of Approval

1. General

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

   Notify the Division within 24 hours of spudding the well.

   - Contact Carol Daniels at (801) 538-5284.

   Notify the Division prior to commencing operations to plug and abandon the well.

   - Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

Form 3160-3
(August 2007)

RECEIVED
OCT - 1 2007
BLM

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
UTU010956

6. If Indian, Allottee or Tribe Name

1a. Type of Work: ☒ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.
UTU63013AH

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

8. Lease Name and Well No.
CWU 1081-25

2. Name of Operator
EOG RESOURCES INC
Contact: MARY A MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43 047 39678

3a. Address
1060 EAST HIGHWAY 40
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 303-824-5526
Fx: 303-824-5527

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface SWSW 461FSL 445FWL 40.00105 N Lat, 109.39614 W Lon

At proposed prod. zone SWSW 461FSL 445FWL 40.00105 N Lat, 109.39614 W Lon

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 25 T9S R22E Mer SLB
SME: BLM

14. Distance in miles and direction from nearest town or post office*
52.7 MILES SOUTH OF VERNAL, UTAH

12. County or Parish
UINTAH

13. State
UT

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
445' LEASE LINE

16. No. of Acres in Lease
320.00

17. Spacing Unit dedicated to this well

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
550'

19. Proposed Depth
9180 MD

20. BLM/BIA Bond No. on file
NM2308

21. Elevations (Show whether DF, KB, RT, GL, etc.
5073 GL

22. Approximate date work will start

23. Estimated duration
45 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name (Printed/Typed)	Date
(Electronic Submission)	MARY A MAESTAS Ph: 303-824-5526	09/28/2007

Title
REGULATORY ASSISTANT

Approved by (Signature)	Name (Printed/Typed)	Date
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached. CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #56560 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by CINDY SEVERSON on 09/28/2007 (07CXS0285AE)

UDOGM

NOTICE OF APPROVAL
RECEIVED
JUL 07 2008
DIV. OF OIL, GAS & MINING

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED**

NOS 07123107

07PP2482A

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	**EOG Resources, Inc.**	**Location:**	**SWSW, Sec. 25, T9S, R22E**
Well No:	**CWU 1081-25**	**Lease No:**	**UTU-010956**
API No:	**43-047-39678**	**Agreement:**	**Chapita Wells Unit**

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
		Fax: (435) 781-3420	

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.

- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

Site Specific COAs:

- Bury pipeline at all low water crossings.

- Permission from an authorized BLM representative will be required if construction or other operations occur during wet conditions that will lead to excessive rutting.

- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.

- Culverts and gravel may be installed as needed.

DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- The conductor pipe shall be set and cemented in a competent formation.
- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- A 75 foot long blooie line is approved. All other equipment for air/gas drilling shall meet specifications in Onshore Order #2, III.Requirements, E. Special Drilling Operations.

  Logging program: Gamma Ray shall be run from TD to surface.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.

- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

    - Operator name, address, and telephone number.
    - Well name and number.
    - Well location (¼¼, Sec., Twn, Rng, and P.M.).
    - Date well was placed in a producing status (date of first production for which royalty will be paid).
    - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
    - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
    - Unit agreement and/or participating area name and number, if applicable.
    - Communitization agreement number, if applicable.

- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.

- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.

- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.

- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.

- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.

- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.

- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:	UTU-010956
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
7. UNIT or CA AGREEMENT NAME:	Chapita Wells Unit
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER	8. WELL NAME and NUMBER: Chapita Wells Unit 1081-25
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43-047-39678
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078	PHONE NUMBER: (435) 789-0790
	10. FIELD AND POOL, OR WILDCAT: Natural Buttes

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 461' FSL & 445' FWL 40.001050 LAT 109.396144 LON — COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 25 9S 22E S.L.B. & M. — STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: APD EXTENSION REQUEST
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-30-08

By:

NAME (PLEASE PRINT) Mickenzie Thacker — TITLE Operations Clerk

SIGNATURE Mickenzie Thacker — DATE 9/22/2008

(This space for State use only)

COPY SENT TO OPERATOR

Date: 10.2.2008

Initials: KS

(5/2000) (See Instructions on Reverse Side)

RECEIVED
SEP 25 2008
DIV. OF OIL, GAS & MINING

[redacted]

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-39678
Well Name: Chapita Wells Unit 1081-25
Location: 461 FSL & 445 FWL (SWSW), SECTION 25, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 10/4/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes☐ No☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes☐ No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes☐ No☑

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes☐ No☑

Has the approved source of water for drilling changed? Yes☐ No☑

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes☐ No☑

Is bonding still in place, which covers this proposed well? Yes☑ No☐

Mickenzie Thacker
Signature

9/22/2008
Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

RECEIVED
SEP 25 2008
DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **EOG RESOURCES INC**

Well Name: **CWU 1081-25**

Api No: **43-047-39678** Lease Type: **FEDERAL**

Section **25** Township **09S** Range **22E** County **UINTAH**

Drilling Contractor **CRAIG'S ROUSTABOUT SERV** RIG # **RATHOLE**

SPUDDED:

Date **10/11/08**

Time **10:30 AM**

How **DRY**

Drilling will Commence:

Reported by **JERRY BARNES**

Telephone # **(435) 828-1720**

Date **10/13//08** **Signed** **CHD**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES
Address: 1060 East Highway 40
city VERNAL
state UT zip 84078

Operator Account Number: N 9550

Phone Number: (435) 781-9145

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39186	CHAPITA WELLS UNIT 1075-25		SESE	25	9S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	13650	10/14/2008			10/21/08	

Comments: MESAVERDE

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39654	CHAPITA WELLS UNIT 1020-15		NWSE	15	9S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	13650	10/11/2008			10/21/08	

Comments: MESAVERDE

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39678	CHAPITA WELLS UNIT 1081-25		SWSW	25	9S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	13650	10/11/2008			10/21/08	

Comments: MESAVERDE

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Thacker
Name (Please Print)

Mickenzie Thacker
Signature

Operations Clerk
Title

10/14/2008
Date

(5/2000)

RECEIVED
OCT 15 2008
DIV. OF OIL, GAS & MINING

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU010956

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
CHAPITA WELLS UNIT 1081-25

2. Name of Operator
EOG RESOURCES, INC.
Contact: MICKENZIE THACKER
E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM

9. API Well No.
43-047-39678

3a. Address
1060 E. HWY 40
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 453-781-9145

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 25 T9S R22E SWSW 461FSL 445FWL
40.00105 N Lat, 109.39614 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Well Spud
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was spud on 10/11/2008.

RECEIVED
OCT 20 2008
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #63866 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

Name *(Printed/Typed)* MICKENZIE THACKER — Title OPERATIONS CLERK

Signature (Electronic Submission) — Date 10/15/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU010956

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
CHAPITA WELLS UNIT 1081-25

2. Name of Operator
EOG RESOURCES, INC.
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-39678

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 25 T9S R22E SWSW 461FSL 445FWL
40.00105 N Lat, 109.39614 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Production Start-up
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 1/15/2009. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #66509 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

Name *(Printed/Typed)* MARY A. MAESTAS — Title REGULATORY ASSISTANT

Signature (Electronic Submission) — Date 01/21/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

JAN 26 2009

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 01-21-2009

Well Name	CWU 1081-25	**Well Type**	DEVG	**Division**	DENVER
Field	CHAPITA DEEP	**API #**	43-047-39678	**Well Class**	1SA
County, State	UINTAH, UT	**Spud Date**	12-07-2008	**Class Date**	01-15-2009
Tax Credit	N	**TVD / MD**	9,180/ 9,180	**Property #**	057450
Water Depth	0	**Last CSG**	2.375	**Shoe TVD / MD**	0/ 0
KB / GL Elev	5,086/ 5,073				
Location	Section 25, T9S, R22E, SWSW, 461 FSL & 445 FWL				

Event No	1.0	**Description**	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	**WI %**	55.686	**NRI %**	47.671

AFE No	303562	**AFE Total**	1,753,400	**DHC / CWC**	880,700/ 872,700
Rig Contr	TRUE	**Rig Name**	TRUE #27	**Start Date**	10-09-2007
Release Date	12-13-2008				

10-09-2007 **Reported By** SHARON CAUDILL

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$0	**Completion**	$0	**Well Total**	$0

MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			461' FSL & 445' FWL (SW/SW)
			SECTION 25, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.001050, LONG 109.396144 (NAD 83)
			LAT 40.001083, LONG 109.395464 (NAD 27)
			TRUE #27
			OBJECTIVE: 9180' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: UTU-010956
			ELEVATION: 5075.3' NAT GL, 5073.3' PREP GL (DUE TO ROUNDING PREP GL WILL BE 5073') 5086' KB (13')
			EOG WI 55.68560%, NRI 47.67131%

09-29-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $75,000 **Completion** $0 **Daily Total** $75,000
Cum Costs: Drilling $75,000 **Completion** $0 **Well Total** $75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED.

09-30-2008 Reported By TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $75,000 **Completion** $0 **Well Total** $75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 10% COMPLETE.

10-01-2008 Reported By TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $75,000 **Completion** $0 **Well Total** $75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 15% COMPLETE.

10-02-2008 Reported By TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $75,000 **Completion** $0 **Well Total** $75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 25% COMPLETE.

10-03-2008 Reported By TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $75,000 **Completion** $0 **Well Total** $75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT. DRILLING ROCK.

10-06-2008 Reported By TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING ROCK.

10-07-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOTING TODAY.

10-08-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

10-09-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

10-10-2008 **Reported By** BYRON TOLMAN

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

10-13-2008 **Reported By** JERRY BARNES/TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0		
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000		
MD 60	**TVD** 60	**Progress** 0	**Days** 0	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 0.0		**Perf :**	**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CRAIG'S ROUSTABOUT SERVICE SPUD A 20" HOLE ON 10/11/08 @ 10:30 AM, SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 10/11/08 @ 9:30 AM.

LINE TODAY.

10-14-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0		
Cum Costs: Drilling	$75,000	**Completion**	$0	**Well Total**	$75,000		
MD 60	**TVD** 60	**Progress** 0	**Days** 0	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 0.0		**Perf :**	**PKR Depth :** 0.0			

Activity at Report Time: LOCATION COMPLETE

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

10-19-2008 **Reported By** KYLAN COOK

DailyCosts: Drilling	$258,729	**Completion**	$0	**Daily Total**	$258,729		
Cum Costs: Drilling	$333,729	**Completion**	$0	**Well Total**	$333,729		
MD 2,305	**TVD** 2,305	**Progress** 0	**Days** 0	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 0.0		**Perf :**	**PKR Depth :** 0.0			

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #3 ON 10/13/2008. DRILLED 12-1/4" HOLE TO 2292' GL (2305' KB). ENCOUNTERED WATER @ 1260'. FLUID DRILLED FROM 1370' TO 2292' WITH NO RETURNS. RAN 53 JTS (2274.10') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2287' KB. RDMO CRAIG'S RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 175 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 400 SX (84 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/172.5 BBLS FRESH WATER. BUMPED PLUG W/600# @ 11:28 PM, 10/16/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: MIXED & PUMPED 150 SX (31 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3HR.

TOP JOB # 2: MIXED & PUMPED 150 SX (31 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2HR 30MIN.

TOP JOB # 3: MIXED & PUMPED 200 SX (42 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3HR 45MIN.

TOP JOB # 4: MIXED & PUMPED 150 SX (31 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3HR.

TOP JOB # 5: MIXED & PUMPED 80 SX (16 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NO SURVEY AT THIS TIME.

CONDUCTOR LEVEL RECORD: PS= 89.9 OPS= 89.9 VDS= 89.8 MS= 89.9.

9 5/8 CASING LEVEL RECORD: PS= 89.8 OPS= 89.8 VDS= 89.9 MS= 89.8.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB. SENT E-MAIL ON 10/14/2008 @ 7:45 AM.

12-07-2008 **Reported By** PAUL WHITE

DailyCosts: Drilling	$25,322	**Completion**	$0	**Daily Total**	$25,322
Cum Costs: Drilling	$359,051	**Completion**	$0	**Well Total**	$359,051

MD	2,305	**TVD**	2,305	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: TESTING BOPE

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RDRT.
07:00	11:30	4.5	HOLD SAFETY MEETING RDRT W/ TRUCKS.
11:30	16:00	4.5	RURT W/ TRUCKS, RAISED DERRICK AT 16:00 AND RELEASED TRUCKS.
16:00	22:00	6.0	RURT.
22:00	23:00	1.0	CHANGE PACKING ELEMENT IN HYDRIL.
23:00	01:00	2.0	RIG ACCEPTED AT 23:00 HRS 12/6/08. NIPPLE UP, PREPARE TO TEST.
01:00	06:00	5.0	TEST BOP'S W/ B&C QUICK TEST. UPPER AND LOWER KELLY VALVE, INSIDE BOP, SAFETY VALVE, PIPE RAMS AND INSIDE VALVES, PIPE RAMS AND OUTSIDE VALVES (HCR), OUTSIDE CHECK VALVE, CHOKELINE, ALL CHOKE MANIFOLD VALVES AND SURFACE CASING. ALL TESTS 250 LOW AND 5000 HIGH. ANNULAR 250/2500. CASING 1500. SUPER CHOKE TESTED TO 1500 PSI, CURRANTLY RETIGHTENING AND TESTING CONNECTION TO CHOKE MANIFOLD.

FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS HELD W/ ALL THIRD PARTY SERVICE COPMANIES. TOPICS: FORKLIFT SAFETY, WORKING AROUND TRUCKS, OVERHEAD LOADS. FUEL ON HAND 2393, USED 299.

12-08-2008 **Reported By** PAUL WHITE

DailyCosts: Drilling	$51,629	**Completion**	$0	**Daily Total**	$51,629
Cum Costs: Drilling	$410,680	**Completion**	$0	**Well Total**	$410,680

MD	4,105	**TVD**	4,105	**Progress**	1,800	**Days**	1	**MW**	8.4	**Visc**	27.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 4105'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	FINISH TESTING BOP'S. ANNULAR LOW 250 2500 HIGH, KILL LINE 250/5000, CASING 1500 FOR 30 MIN.

08:00	08:30	0.5	INSTALL ROTATING HEAD DRIVE BUSHING AND ROTATING HEAD RUBBER.
08:30	11:00	2.5	HOLD SAFETY MEETING W/ PICKUP CREW, PICKUP BHA AND DRILL PIPE TAG CEMENT AT 2227.
11:00	12:30	1.5	DRILL CEMENT/FLOAT EQUIP. F/ 2227 TO 2287.
12:30	13:00	0.5	CIRCULATE CLEAN, PUMP HI VIS PILL, FIT TEST TO 11.5 PPG EMW.
13:00	13:30	0.5	SERVICE RIG.
13:30	14:00	0.5	REPAIR BRAKE COOLANT LINE TO DRUM.
14:00	00:00	10.0	DRILL F/ 2287 TO 3574. 1287' 129 FPH. WOB 16 RPM 55.
00:00	00:30	0.5	SURVEY AT 3503 1.38 DEG.
00:30	06:00	5.5	DRILL F/ 3574 TO 4105 531' 96 FPH WOB 16 RPM 55. MUD WT. 9.0 VIS 30. DRILLING MAHOGANY OIL SHALE BED, TOP OF WASATCH AT 4529.

FULL CREW, NO ACCIDENTS OR INCIDENTS.
SAFETY MEETING TOPICS: P/U BHA, FLOOR MOTORS.
SPUD AT 14:00 HRS. 12/7/08.
FUNCTION CHECK HCR AND COM FOR DRILLING.
UNMANNED MUDLOGGING UNIT 1 DAY,
FUEL ON HAND 5685 RECEIVED 4400 USED 1108.

06:00			SPUD 7 7/8" HOLE W/ROTARY TOOLS AT 14:00 HRS, 12/7/08.

12-09-2008 **Reported By** PAUL WHITE

DailyCosts: Drilling	$32,795	**Completion**	$0	**Daily Total**	$32,795
Cum Costs: Drilling	$443,476	**Completion**	$0	**Well Total**	$443,476

MD	5,929	**TVD**	5,929	**Progress**	1,824	**Days**	2	**MW**	9.5	**Visc**	34.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING AT 5929'

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL F/ 4105 TO 4609 504' WOB 17 RPM 50 (F/T COM FOR DRLG)
10:00	10:30	0.5	SURVEY AT 4529 1.87 DEG.
10:30	16:00	5.5	DRILL F/ 4609 TO 5173 564' 102 FPH. WOB 18 RPM 55.
16:00	16:30	0.5	SERVICE RIG.
16:30	18:00	1.5	DRILL F/ 5173 TO 5267' 94' 63 FPH, LOST COMPLETE RETURNS.
18:00	18:30	0.5	MIX LCM, PUMP AT REDUCED RATE, MIX MUD, GOT RETURNS. LOST 160 BBLS. MUD.
18:30	06:00	11.5	DRILL F/ 5267 TO 5929 662' 58 FPH. (DRILL W/ REDUCED PUMP RATE, HOLE BALLONING ON CONN.) MUD WT. 9.8 VIS 33. DRILLING BUCK CANYON, TOP OF NORTH HORN AT 6486'.

COMPLETED REPAIR OF RADIATOR ON #2 FLOOR MOTOR. DESANDER AND YELLOW DOG IN-OP. REPAIRS IN PROGRESS. FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: COLD WX OPS, RIG REPAIRS, FORKLIFT. BOP DRILL 2 MIN.

UNMANNED LOGGING UNIT 2 DAYS, FUEL ON HAND 4114 USED 1571.

12-10-2008 **Reported By** PAUL WHITE / KELLY SPOONTZ

DailyCosts: Drilling	$36,534	**Completion**	$0	**Daily Total**	$36,534
Cum Costs: Drilling	$479,877	**Completion**	$0	**Well Total**	$479,877

MD	7,278	**TVD**	7,278	**Progress**	1,349	**Days**	3	**MW**	9.9	**Visc**	33.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING AT 7278'

Start	End	Hrs	Activity Description

06:00	15:00	9.0	DRILL F/ 5929 TO 6401 472' 52 FPH. WOB 17 RPM 50. (F/T COM FOR DRLG.)
15:00	15:30	0.5	SERVICE RIG.
15:30	06:00	14.5	DRILL F/ 6401 TO 7278 877' 60 FPH. WOB 20 RPM 52. MUD WT. 10.2 VIS 34, DRILLING PRICE RIVER, PRICE RIVER MIDDLE 7689'.

DESANDER AND YELLOW DOG IN-OP, REPAIRS SHOULD BE COMPLETED TODAY. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: PRESSURE WASHER, PUMP BELTS. FUNCTION TEST COM EACH TOUR. BOP DRILL 1 1/2 MINS.

UNMANNED MUD LOGGING UNIT 3 DAYS (JOSE) FUEL ON HAND 2319 USED 1795.

12-11-2008 **Reported By** KELLY SPOONTS

DailyCosts: Drilling	$81,487	**Completion**	$4,128	**Daily Total**	$85,615
Cum Costs: Drilling	$561,365	**Completion**	$4,128	**Well Total**	$565,493

MD	8,117	**TVD**	8,117	**Progress**	839	**Days**	4	**MW**	10.2	**Visc**	35.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: TOH

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILL F/ 7278' TO 7779' 501' 50 FPH. WOB 20 RPM 52. MUD WT. 10.2 VIS 34, DRILLING MIDDLE PRICE RIVER.
16:00	16:30	0.5	SERVICE RIG
16:30	03:00	10.5	DRILL F/ 7779' TO 8117' 338' 32 FPH. WOB 20 RPM 52. MUD WT. 10.7 VIS 34, DRILLING MIDDLE PRICE RIVER.
03:00	04:00	1.0	CIRCULATE BOTTOMS UP, MIX PILL,DROP SURVEY
04:00	06:00	2.0	TRIP FOR BIT AND MTR.

DESANDER PUMP NOT WORKING , REPAIRS SHOULD BE COMPLETED TODAY. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: LK OUT TAG OUT, PRE-MIX. FUNCTION TEST COM EACH TOUR.

UNMANNED MUD LOGGING UNIT 4 DAYS (JOSE)

FUEL ON HAND 5086 USED 1633.

MUD WT = 10.7/ 34

12-12-2008 **Reported By** KELLY SPOONTS

DailyCosts: Drilling	$40,387	**Completion**	$128,479	**Daily Total**	$168,866
Cum Costs: Drilling	$601,752	**Completion**	$132,607	**Well Total**	$734,359

MD	8,958	**TVD**	8,958	**Progress**	841	**Days**	5	**MW**	10.7	**Visc**	34.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING AT 8958'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	TRIP FOR BIT & MTR, LAY DOWN REAMERS—PU NEW BIT AND MTR
08:30	09:00	0.5	SERVICE RIG
09:00	09:30	0.5	TRIP IN HOLE WITH BHA
09:30	10:00	0.5	SLIP & CUT DRILL LINE (115')
10:00	13:00	3.0	TRIP IN HOLE WORK TIGHT SPOT @ 4400'
13:00	13:30	0.5	TIH & WASH/REAM F/8076' TO 8117'
13:30	06:00	16.5	DRILL F/ 8117' TO 8958' 841', 51 FPH. WOB 16 RPM 45. MUD WT. 11 VIS 35, DRILLING INTO THE TOP OF THE SEGO.

DESANDER PUMP STILL NOT WORKING , REPAIRS SHOULD BE COMPLETED TODAY. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: GAS BUSTER, WORKING ON PUMPS. FUNCTION TEST COM EACH TOUR. BOP DRILL 73 SEC.

MUD WT 11 VIS 35 , TOP OF SEGO

UNMANNED MUD LOGGING UNIT 5 DAYS (JOSE)

FUEL ON HAND 3740 USED 1346.

12-13-2008 **Reported By** KELLY SPOONTS

DailyCosts: Drilling	$63,222	**Completion**	$0	**Daily Total**	$63,222
Cum Costs: Drilling	$664,974	**Completion**	$132,607	**Well Total**	$797,581

MD	9,180	**TVD**	9,180	**Progress**	222	**Days**	6	**MW**	11.2	**Visc**	37.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: LD DP

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL F/ 8958' TO 9105' 147', 18 FPH. WOB 16 RPM 45. MUD WT. 11.1 VIS 36, DRILLING IN SEGO.
14:00	14:30	0.5	SERVICE RIG
14:30	16:00	1.5	DRILL F/ 9105' TO 9146' 41', 27 FPH. WOB 16 RPM 45. MUD WT. 11.2 VIS 36, DRILLING IN SEGO.
16:00	17:30	1.5	CIRCULATE CONDITION MUD, RAISE MUD WEGHT TO 11.3, 40 BBL GAIN
17:30	18:00	0.5	DRILL F/ 9146' TO 9155' 9', 18 FPH. WOB 16 RPM 45. MUD WT. 11.3 VIS 36, DRILLING IN SEGO.
18:00	18:30	0.5	CIRCULATE MIX LCM (LOST FULL RETURNS)
18:30	20:00	1.5	DRILL F/ 9155' TO 9180' 25', 17 FPH. WOB 16 RPM 45. MUD WT. 11.2 VIS 36, DRILLING IN SEGO. REACHED TD @ 20:00 HRS, 12/12/08.
20:00	20:30	0.5	CIRCULATE CONDITION MUD FOR SHORT TRIP. FULL RETURNS.
20:30	21:30	1.0	SHORT TRIP 11 STANDS
21:30	23:00	1.5	CIRCULATE AND PUMP 13 LB PILL
23:00	06:00	7.0	LD/DRILL PIPE.

FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: W/LAY DOWN CREW, GAS. FUNCTION TEST COM EACH TOUR. BOP DRILL 73 SEC. MUD WGHT 11.2 VIS 37 , TD.

UNMANNED MUD LOGGING UNIT 6 DAYS (JOSE) FUEL ON HAND 2094 USED 1646.

12-14-2008 **Reported By** KELLY SPOONTS

DailyCosts: Drilling	$27,767	**Completion**	$73,467	**Daily Total**	$101,234
Cum Costs: Drilling	$692,742	**Completion**	$206,074	**Well Total**	$898,816

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	7	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:30	0.5	LD BHA & TOOLS
06:30	07:00	0.5	PULL WEAR BUSHING.
07:00	14:00	7.0	RAN 212 JTS. 4.5" 11.6 # N-80 CASING EQUIPED W/ WEATHERFORD FLOAT SHOE AND FLOAT COLLAR. CENTRILIZERS PLACED 5' ABOVE SHOE, ON TOP OF SECOND JOINT AND EVERY THIRD JOINT AFTER FOR A TOTAL OF 28. SHOE AT 9169' FLOAT COLLAR AT 9126'. MARKER JT AT 6371' AND 4072'.
14:00	14:30	0.5	LANDED CASING HANGER

14:30	15:00	0.5	RD CASING CREW
15:00	18:00	3.0	HELD SAFETY MEETING & R/U CEMENT CREW & CEMENT WELL.CEMENTING: LOADED BOTTOM PLUG AND TOP PLUG. SCHLUMBER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLS CHEM WASH, 20 BBLS WATER, 278 BBLS LEAD SLURRY: 35/65 POZ G, SLURRY WT. 12.5 PPG. (790 SX). FOLLOWED W/ 349 BBLS. TAIL SLURRY, 50/50 POZ "G" SLURRY WT. 14.1 PPG. 1540 SX), DROPPED TOP PLUG AND DISPLACED W/ 142 BBLS. WATER. BUMPED PLUG W/ 3,500 PSI, CHECKED FLOATS OK.
18:00	20:00	2.0	SET DTO PACKOFF, NIPPLE DOWN BOP'S, CLEAN PITS.
20:00	06:00	10.0	RIG DOWN, PREPARE FOR TRUCKS.
			MOVE TO CWU 1080-25, 0.3 MILES.
			TRANSFER FROM CWU 1081-25 TO CWU 1080-25, 8 JOINTS 4.5" N-80 CASING AND 3515 GAL DIESEL FUEL.
			FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS HELD W/ ALL THIRD PART SERVICE COMPANIES.
			5 HANDS
06:00			RELEASE RIG @ 20:00 HRS, 12/13/08.
			CASING POINT COST $692,742

12-16-2008 **Reported By** RITA THOMAS

DailyCosts: Drilling	$0	**Completion**	$161,403	**Daily Total**	$161,403
Cum Costs: Drilling	$692,742	**Completion**	$367,477	**Well Total**	$1,060,219

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	8	**MW** 0.0	**Visc** 0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: FACILITY COST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FACILITY COST $161,403

12-19-2008 **Reported By** MCCURDY

DailyCosts: Drilling	$0	**Completion**	$45,982	**Daily Total**	$45,982
Cum Costs: Drilling	$692,742	**Completion**	$413,459	**Well Total**	$1,106,201

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	9	**MW** 0.0	**Visc** 0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 980'. EST CEMENT TOP @ 2260'. RD SCHLUMBERGER.
			NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

01-02-2009 **Reported By** WHITEHEAD

DailyCosts: Drilling	$0	**Completion**	$43,446	**Daily Total**	$43,446
Cum Costs: Drilling	$692,742	**Completion**	$456,905	**Well Total**	$1,149,647

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	10	**MW** 0.0	**Visc** 0.0

Formation : MESAVERDE **PBTD :** 9126.0 **Perf :** 8054'-8955' **PKR Depth :** 0.0

Activity at Report Time: FRAC MESAVERDE

Start	End	Hrs	Activity Description

06:00	06:00	24.0	MIRU CUTTERS WIRELINE PERFORATE LPR FROM 8710'-11', 8728'-29', 8737'-38', 8757'-58', 8780'-81', 8790'-91', 8804'-05', 8834'-35', 8871'-72', 8900'-01', 8924'-25', 8954'-55' @ 3 SPF @ 120° PHASING. RDWL. MIRU HALLIBURTON, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4156 GAL 16# LINEAR PRE PAD, 2429 GAL 16# DELTA 200 PAD, 25111 GAL DELTA 200 W/ 67700 # 20/40 SAND @ .5-4 PPG. MTP 6474 PSIG. MTR 48.1 BPM. ATP 4738 PSIG. ATR 41 BPM. ISIP 2750 PSIG. RD HALLIBURTON. RUWL SET 6K CFP AT 8694'. PERFORATE LPR FROM 8452'-53', 8453'-54', 8461'-62', 8484'-85', 8530'-31', 8558'-59', 8566'-67', 8572'-73', 8586'-87', 8634'-35', 8653'-54', 8676'-77' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106 , 4000 GAL 16# DELTA 200 PAD, 22116 GAL DELTA 200 W/ 57300# 20/40 SAND @ .5-4 PPG. MTP 6164 PSIG. MTR 48 BPM. ATP 5311 PSIG. ATR 38.7 BPM. ISIP 2810 PSIG. RD HALLIBURTON. RUWL SET 6K CFP AT 8425'. PERFORATE MPR FROM 8243'-44', 8254'-55', 8271'-72', 8294'-95', 8310'-11', 8328'-29', 8348'-49', 8355'-56', 8356'-57', 8385'-86', 8406'-07', 8410'-11' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106 , 2623 GAL 16# DELTA 200 PAD, 21177 GAL DELTA 200 W/ 83100 # 20/40 SAND @ .5-5 PPG. MTP 5906 PSIG. MTR 48.2 BPM. ATP 5116 PSIG. ATR 37.5 BPM. ISIP 2840 PSIG. LOST SUCTION ON GEL PRO COULD NOT GET IT BACK HAD TO GO TO FLUSH EARLY. RD HALLIBURTON. RUWL SET 6K CFP AT 8220'. PERFORATE MPR FROM 8054'-55', 8068'-69', 8084'-85', 8091'-92', 8103'-04', 8112'-13', 8128'-29', 8134'-35', 8159'-60', 8173'-74', 8177'-78', 8208'-09' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106 , 4152 GAL 16# DELTA 200 PAD , 33479 GAL DELTA 200 W/ 108100# 20/40 SAND @ .5-5 PPG. MTP 5798 PSIG. MTR 48.2 BPM. ATP 4601 PSIG. ATR 44 BPM. ISIP 3120 PSIG. RD HALLIBURTON. SDFN

01-03-2009 **Reported By** WHITEHEAD

DailyCosts: Drilling	$0	**Completion**	$143,712	**Daily Total**	$143,712
Cum Costs: Drilling	$692,742	**Completion**	$600,617	**Well Total**	$1,293,359

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	11	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 9126.0 **Perf :** 7841'-8955' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST. PREP TO FISH GUNS.

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 6K CFP AT 8010'. PERFORATE MPR FROM 7841'-42', 7854'-55', 7866'-67', 7871'-72', 7892'-93', 7902'-03', 7911'-12', 7919'-20', 7929'-30', 7938'-39', 7968'-69', 7993'-94' @ 3 SPF @ 120° PHASING. TOOLS STUCK @ 2500±. PULLED OUT OF ROPE SOCKET. RDWL. RD HALLIBURTON. FLOWED 14 HRS ON 24/64" CHOKE. FCP 1550 PSIG. 44 BFPH. RECOVERED 1490 BLW, 2196 BLWTR.

01-04-2009 **Reported By** WHITEHEAD

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$692,742	**Completion**	$600,617	**Well Total**	$1,293,359

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	12	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 9126.0 **Perf :** 7841'-8955' **PKR Depth :** 0.0

Activity at Report Time: FISH GUNS/SET TOOL

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 8 HRS ON 32/64 CHOKE. WELL DIED. RECOVERED 242 BLW. 1954 BLWTR. SWI @ 5:00 PM. 6:00 THIS AM SICP 0 PSIG. BLEW DOWN IN 2 MIN. SWI. WILL MIRUSU MONDAY 1/5/09.

01-06-2009 **Reported By** HAL IVIE

DailyCosts: Drilling	$0	**Completion**	$19,918	**Daily Total**	$19,918
Cum Costs: Drilling	$692,742	**Completion**	$620,535	**Well Total**	$1,313,277

MD	9,180	TVD	9,180	Progress	0	Days	12	MW	0.0	Visc	0.0

Formation : MESAVERDE **PBTD :** 9126.0 **Perf :** 7841'-8955' **PKR Depth :** 0.0

Activity at Report Time: FISHING PERF GUNS

Start	End	Hrs	Activity Description
06:00	18:00	12.0	SICP 0 PSIG. MIRU ROYAL RIG # 1, ND FRAC VALVE, NUBOP. PICK UP WEATHERFORD TOOLS: 3-7/8" OD OVERSHOT W/ 3-1/8" GRAPPLE, 3-7/8" OD EXTENSION, 3-1/8" OD BUMPER SUB, 3-1/8"OD, DAILEY JAR, XO SUB, 4' X 2-3/8" PUP JT, 2-3/8" XN NIPPLE W/ PUMP THRU DART. RIH, TAGGED UP 3' PAST THE BOTTOM OF THE CSG SPOOL IN THE 4-1/2" CSG. RIH W/ 3-7/8" HURRICANE MILL TO 30', NO OBSTRUCTION. TRIED THE 3-7/8" EXTENSION AGAIN & TAGED INTHE SAME PLACE. LAYED DOWN TOOLS, SENT THE 3-7/8" OD EXTENSION TO BE MILLED DOWN TO 3-3/4" O.D. DRAINED EQUIP, SWI-SDFD.

01-07-2009 **Reported By** HAL IVIE

DailyCosts: Drilling	$0	Completion	$16,643	Daily Total	$16,643
Cum Costs: Drilling	$692,742	Completion	$637,178	Well Total	$1,329,920

MD	9,180	TVD	9,180	Progress	0	Days	13	MW	0.0	Visc	0.0

Formation : MESAVERDE **PBTD :** 9126.0 **Perf :** 7841'-8955' **PKR Depth :** 0.0

Activity at Report Time: LD TBG

Start	End	Hrs	Activity Description
06:00	18:00	12.0	SICP 0 PSIG. RIH W/WEATHERFORD FISHING TOOLS. LATCHED FISH @ 2604'. POH W/FISH (PERF GUNS). PORT PLUG IN THE #3 GUN WAS MISSING. RIH W/3-7/8" OD MILL & PUMP OFF BIT SUB TO CFP @ 8010'. NO FILL. POH, LD TBG TO 1787'. SDFN.

01-08-2009 **Reported By** HAL IVIE

DailyCosts: Drilling	$0	Completion	$6,857	Daily Total	$6,857
Cum Costs: Drilling	$692,742	Completion	$644,035	Well Total	$1,336,777

MD	9,180	TVD	9,180	Progress	0	Days	14	MW	0.0	Visc	0.0

Formation : MESAVERDE **PBTD :** 9126.0 **Perf :** 7841'-8955' **PKR Depth :** 0.0

Activity at Report Time: PREP TO FRAC

Start	End	Hrs	Activity Description
06:00	18:00	12.0	SICP 0 PSIG. LD TBG (305 JTS ON LOCATION). ND BOP. NU FRAC VALVES. RDMOSU.

01-12-2009 **Reported By** KERN

DailyCosts: Drilling	$0	Completion	$372,165	Daily Total	$372,165
Cum Costs: Drilling	$692,742	Completion	$1,016,200	Well Total	$1,708,942

MD	9,180	TVD	9,180	Progress	0	Days	15	MW	0.0	Visc	0.0

Formation : MESAVERDE **PBTD :** 9126.0 **Perf :** 6833'-8955' **PKR Depth :** 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 6K CFP AT 8000'. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 2080 GAL DELTA 200 PAD, 47707 GAL DELTA 200 W/165900# 20/40 SAND @ 1-5 PPG. MTP 4959 PSIG. MTR 52.4 BPM. ATP 3438 PSIG. ATR 45.8 BPM. ISIP 2540 PSIG. RD HALLIBURTON. RUWL. SET 6K CFP AT 7805'. PERFORATE U/MPR FROM 7624'-25', 7639'-40', 7663'-64', 7674'-75', 7681'-82', 7697'-98', 7731'-32', 7738'-39', 7752'-53', 7772'-73', 7783'-84', 7789'-90' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 2414 GAL DELTA 200 PAD, 52283 GAL DELTA 200 W/187600# 20/40 SAND @ 1-5 PPG. MTP 4725 PSIG. MTR 54.8 BPM. ATP 3878 PSIG. ATR 47.8 BPM. ISIP 2450 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7580'. PERFORATE UPR FROM 7318'-19', 7342'-43', 7348'-49', 7395'-96', 7423'-24', 7440'-41', 7475'-76', 7515'-16', 7536'-37', 7542'-43', 7557'-58', 7565'-66' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 2131 GAL DELTA 200 PAD, 39820 GAL DELTA 200 W/ 135600# 20/40 SAND @ 1-5 PPG. MTP 5283 PSIG. MTR 56.5 BPM. ATP 4121 PSIG. ATR 44.2 BPM. ISIP 2720 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7280'. PERFORATE UPR FROM 7067'-68', 7088'-89', 7101'-02', 7114'-15', 7137'-38', 7167'-68', 7175'-76', 7184'-85', 7228'-29', 7237'-38', 7259'-60', 7266'-67' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 2158 GAL DELTA 200 PAD, 39811 GAL DELTA 200 W/135400# 20/40 SAND @ 1-5 PPG. MTP 5912 PSIG. MTR 54.3 BPM. ATP 3932 PSIG. ATR 46 BPM. ISIP 2515 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7020'. PERFORATE UPR FROM 6833'-34', 6855'-56', 6874'-75', 6886'-87', 6910'-11', 6917'-18', 6928'-29', 6940'-41', 6952'-53', 6958'-59', 6999'-7000', 7004'-05' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 2098 GAL DELTA 200 PAD,52021 GAL DELTA 200 W/184900# 20/40 SAND @ 1-5 PPG. MTP 4087 PSIG. MTR 53.3 BPM. ATP 2891 PSIG. ATR 47.5 BPM. ISIP 1900 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 6751'. RDWL. SDFN.

01-14-2009 **Reported By** BAUSCH

DailyCosts: Drilling	$0	**Completion**	$8,306	**Daily Total**	$8,306
Cum Costs: Drilling	$692,742	**Completion**	$1,024,506	**Well Total**	$1,717,248

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	16	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 9126.0 **Perf :** 6833'-8955' **PKR Depth :** 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
07:00	15:00	8.0	MIRUSU. ND FRAC TREE. NU BOP. RIH W/3-7/8" HURRICANE MILL & PUMP OFF SUB TO CBP @ 6751'. RU TO DRILL OUT PLUGS. SDFN.

01-15-2009 **Reported By** BAUSCH

DailyCosts: Drilling	$0	**Completion**	$11,495	**Daily Total**	$11,495
Cum Costs: Drilling	$692,742	**Completion**	$1,036,001	**Well Total**	$1,728,743

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	17	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 9043.0 **Perf :** 6833'-8955' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
07:00	06:00	23.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6751', 7020', 7280', 7580', 7805', 8000', 801O', 8220', 8425' & 8694'. RIH. CLEANED OUT TO 9043'. LANDED TBG AT 7579' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 15 HRS. 24/64" CHOKE. FTP 1750 PSIG, CP 2900 PSIG. 63 BFPH. RECOVERED 1017 BLW. 9140 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'

1 JT 2-3/8 4.7# N-80 TBG 32.92'

XN NIPPLE 1.30'

229 JTS 2-3/8 4.7# N-80 TBG 7529.82'

2-3/8 N-80 NIPPLE & COUPLING 0.60'

BELOW KB 13.00'
LANDED @ 7578.64' KB

01-16-2009 **Reported By** DUANE COOK

DailyCosts: Drilling	$0	**Completion**	$2,690	**Daily Total**	$2,690
Cum Costs: Drilling	$692,742	**Completion**	$1,038,691	**Well Total**	$1,731,433

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	18	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 9043.0 **Perf :** 6833'-8955' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 1700 & SICP 2500 PSIG. TURNED WELL TO QUESTAR SALES AT 12:30 PM, 01/15/09. FLOWING 1975 MCFD RATE ON 24/64" POS CK. STATIC 340. QGM METER #7999. TEST UNIT. FLOWED 24 HRS. 24/64" CHOKE. FTP 1600 PSIG. CP 2450 PSIG. 45 BFPH. RECOVERED 1164 BLW. 7976 BLWTR. 2500 MCFD. FLOWED THROUGH TEST UNIT TO SALES.

01-17-2009 **Reported By**

DailyCosts: Drilling	$0	**Completion**	$2,690	**Daily Total**	$2,690
Cum Costs: Drilling	$692,742	**Completion**	$1,041,381	**Well Total**	$1,734,123

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	19	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 9043.0 **Perf :** 6833'-8955' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP 1450 PSIG. CP 2250 PSIG. 36 BFPH. RECOVERED 945 BLW. 7031 BLWTR. 2600 MCFD RATE. FLOWED THROUGH TEST UNIT TO SALES. FLOWED2061 MCF, IN 24 HRS ON 24/64" CHOKE, TP 1550 PSIG, CP 2650 PSIG.

01-18-2009 **Reported By**

DailyCosts: Drilling	$0	**Completion**	$2,690	**Daily Total**	$2,690
Cum Costs: Drilling	$692,742	**Completion**	$1,044,071	**Well Total**	$1,736,813

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	20	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 9043.0 **Perf :** 6833'-8955' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1350 PSIG. CP 2150 PSIG. 28 BFPH. RECOVERED 728 BLW. 6303 BLWTR. 2800 MCFD RATE. FLOWED THROUGH TEST UNIT TO SALES. FLOWED 2648 MCF, 0 BC & 945 BW IN 24 HRS ON 24/64" CHOKE, TP 1400 PSIG, CP 2200 PSIG.

01-19-2009 **Reported By** ALAN WATKINS

DailyCosts: Drilling	$0	**Completion**	$2,690	**Daily Total**	$2,690
Cum Costs: Drilling	$692,742	**Completion**	$1,046,761	**Well Total**	$1,739,503

MD	9,180	**TVD**	9,180	**Progress**	0	**Days**	21	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 9043.0 **Perf :** 6833'-8955' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1250 PSIG. CP 2000 PSIG. 22 BFPH. RECOVERED 530 BLW. 5773 BLWTR. 2800 MCFD. FLOWED THROUGH TEST UNIT TO SALES.
			FLOWED 2730 MCF, 0 BC & 950 BW IN 24 HRS ON 24/64" CHOKE, TP 1250 PSIG, CP 2050 PSIG.

01-20-2009 **Reported By** MIKE LEBARON

DailyCosts: Drilling	$0	**Completion**	$2,690	**Daily Total**	$2,690		
Cum Costs: Drilling	$692,742	**Completion**	$1,049,451	**Well Total**	$1,742,193		
MD	9,180 **TVD**	9,180 **Progress**	0	**Days**	22 **MW**	0.0 **Visc**	0.0
Formation : MESAVERDE	**PBTD :** 9043.0		**Perf :** 6833'-8955'		**PKR Depth :** 0.0		

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1200 PSIG. CP 1900 PSIG. 18 BFPH. RECOVERED 440 BLW. 5333 BLWTR. 2700 MCFD RATE. FLOWED THROUGH TEST UNIT TO SALES. SWI. RD TEST UNIT.
			FLOWED 3057 MCF, 0 BC & 530 BW IN 24 HRS ON 24/64" CHOKE, TP 1300 PSIG, CP 1850 PSIG.

01-21-2009 **Reported By** MIKE LEBARON

DailyCosts: Drilling	$0	**Completion**	$2,690	**Daily Total**	$2,690		
Cum Costs: Drilling	$692,742	**Completion**	$1,052,141	**Well Total**	$1,744,883		
MD	9,180 **TVD**	9,180 **Progress**	0	**Days**	23 **MW**	0.0 **Visc**	0.0
Formation : MESAVERDE	**PBTD :** 9043.0		**Perf :** 6833'-8955'		**PKR Depth :** 0.0		

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 2662 MCF,10 BC & 325 BW IN 24 HRS ON 24/64" CHOKE, TP 1700 PSIG, CP 2000 PSIG.

Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. UTU010956

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. CHAPITA WELLS

2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com

8. Lease Name and Well No. CHAPITA WELLS UNIT 1081-25

3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202

3a. Phone No. (include area code) Ph: 303-824-5526

9. API Well No. 43-047-39678

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface SWSW 461FSL 445FWL 40.00105 N Lat, 109.39614 W Lon

At top prod interval reported below SWSW 461FSL 445FWL 40.00105 N Lat, 109.39614 W Lon

At total depth SWSW 461FSL 445FWL 40.00105 N Lat, 109.39614 W Lon

10. Field and Pool, or Exploratory NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey or Area Sec 25 T9S R22E Mer SLB

12. County or Parish UINTAH

13. State UT

14. Date Spudded 10/11/2008

15. Date T.D. Reached 12/12/2008

16. Date Completed ☐ D & A ☒ Ready to Prod. 01/15/2009

17. Elevations (DF, KB, RT, GL)* 5075 GL

18. Total Depth: MD 9180 TVD

19. Plug Back T.D.: MD 9043 TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDL/GR Temp, Press

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☒ No ☐ Yes (Submit analysis)

23. Casing and Liner Record *(Report all strings set in well)*

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2287		1130		0	
7.875	4.500 N-80	11.6	0	9169		2330		2260	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7579							

25. Producing Intervals

26. Perforation Record 6833

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	6833	8955	8710 TO 8955		3	
B)			8452 TO 8677		3	
C)			8243 TO 8411		3	
D)			8054 TO 8209		3	

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
8710 TO 8955	31,861 GALS GELLED WATER & 67,700# 20/40 SAND
8452 TO 8677	26,281 GALS GELLED WATER & 57,300# 20/40 SAND
8243 TO 8411	23,965 GALS GELLED WATER & 83,100# 20/40 SAND
8054 TO 8209	37,796 GALS GELLED WATER & 108,100# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
01/15/2009	01/26/2009	24	→	17.0	839.0	50.0			FLOWS FROM WELL

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
10/64"	1800	2200.0	→	17	839	50		PGW

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

RECEIVED

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #67176 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED**

FEB 12 2009

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
MESAVERDE	6833	8955		GREEN RIVER	1428
				BIRDS NEST	1688
				MAHOGANY	2182
				UTELAND BUTTE	4407
				WASATCH	4517
				CHAPITA WELLS	5105
				BUCK CANYON	5791
				PRICE RIVER	6786

32. Additional remarks (include plugging procedure):
Please see the attached page for detailed perforation and additional formation marker information.

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)
2. Geologic Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
6. Core Analysis
7 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #67176 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal

Name *(please print)* MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature (Electronic Submission) Date 02/10/2009

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 1081-25 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7841-7994	3/spf
7624-7790	3/spf
7318-7566	3/spf
7067-7267	3/spf
6833-7005	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

7841-7994	49,952 GALS GELLED WATER & 165,900# 20/40 SAND
7624-7790	54,862 GALS GELLED WATER & 187,600# 20/40 SAND
7318-7566	42,116 GALS GELLED WATER & 135,600# 20/40 SAND
7067-7267	42,134 GALS GELLED WATER & 135,400# 20/40 SAND
6833-7005	54,284 GALS GELLED WATER & 184,900# 20/40 SAND

Perforated the Lower Price River from 8710-11', 8728-29', 8737-38', 8757-58', 8780-81', 8790-91', 8804-05', 8834-35', 8871-72', 8900-01', 8924-25', 8954-55' w/ 3 spf.

Perforated the Lower Price River from 8452-53', 8453-54', 8461-62', 8484-85', 8530-31', 8558-59', 8566-67', 8572-73', 8586-87', 8634-35', 8653-54', 8676-77' w/ 3 spf.

Perforated the Middle Price River from 8243-44', 8254-55', 8271-72', 8294-95', 8310-11', 8328-29', 8348-49', 8355-56', 8356-57', 8385-86', 8406-07', 8410-11' w/ 3 spf.

Perforated the Middle Price River from 8054-55', 8068-69', 8084-85', 8091-92', 8103-04', 8112-13', 8128-29', 8134-35', 8159-60', 8173-74', 8177-78', 8208-09' w/ 3 spf.

Perforated the Middle Price River from 7841-42', 7854-55', 7866-67', 7871-72', 7892-93', 7902-03', 7911-12', 7919-20', 7929-30', 7938-39', 7968-69', 7993-94' w/ 3 spf.

Perforated the Upper/Middle Price River from 7624-25', 7639-40', 7663-64', 7674-75', 7681-82', 7697-98', 7731-32', 7738-39', 7752-53', 7772-73', 7783-84', 7789-90' w/ 3 spf.

Perforated the Upper Price River from 7318-19', 7342-43', 7348-49', 7395-96', 7423-24', 7440-41', 7475-76', 7515-16', 7536-37', 7542-43', 7557-58', 7565-66' w/ 3 spf.

Perforated the Upper Price River from 7067-68', 7088-89', 7101-02', 7114-15', 7137-38', 7167-68', 7175-76', 7184-85', 7228-29', 7237-38', 7259-60', 7266-67' w/ 3 spf.

Perforated the Upper Price River from 6833-34', 6855-56', 6874-75', 6886-87', 6910-11', 6917-18', 6928-29', 6940-41', 6952-53', 6958-59', 6999-7000', 7004-05' w/ 3 spf.

32. FORMATION (LOG) MARKERS

Middle Price River	7673
Lower Price River	8481
Sego	8983

FORM 7

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1081-25

API number: 4304739678

Well Location: QQ SWSW Section 25 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078 Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035 Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME	QUALITY
FROM	TO	(FLOW RATE OR HEAD)	(FRESH OR SALTY)
1,260	1,270	NO FLOW	NOT KNOWN

Formation tops: (Top to Bottom)

1	2	3
4	5	6
7	8	9
10	11	12

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 2/10/2009

(5/2000)

API Well No: 43047396780000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU010956

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: CHAPITA WELLS

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: CWU 1081-25

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43047396780000

3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000 N , Denver, CO, 80202

PHONE NUMBER: 435 781-9111 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0461 FSL 0445 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 25 Township: 09.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 9/21/2009	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Pit closure

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The reserve pit on the referenced location was closed on 9/21/2009 as per the APD procedure.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
September 28, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Mary Maestas	303 824-5526	Regulatory Assistant
SIGNATURE N/A		**DATE** 9/25/2009

RECEIVED September 25, 2009